

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**
FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER:

0 4 — 0 0 2

2. STATE:

HAWAII

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL
SECURITY ACT (MEDICAID)
MEDICAL ASSISTANCE

4. PROPOSED EFFECTIVE DATE

03/25/04

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

42 C.F.R. 438.204(d) and 438 Subpart E and
1932 (c)(2) of the Act

7. FEDERAL BUDGET IMPACT:

a. FFY NONE \$

b. FFY \$

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Text pages 46 and 50a

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable):

Same

10. SUBJECT OF AMENDMENT:

BBA - EXTERNAL QUALITY REVIEW ORGANIZATION (EQRO)

11. GOVERNOR'S REVIEW (Check One):

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL☒ OTHER, AS SPECIFIED:

AS APPROVED BY GOVERNOR

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME:

LILLIAN B. KOLLER, ESQ.

14. TITLE:

DIRECTOR

15. DATE SUBMITTED:

January 26, 2004

16. RETURN TO:

DEPARTMENT OF HUMAN SERVICES
MED-QUEST DIVISION
POLICY AND PROGRAM DEVELOPMENT OFFICE
P. O. BOX 700190
KAPOLEI, HI 96709-0190

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

01/29/04

18. DATE APPROVED:

April 6, 2004

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

03/25/04

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME:

Linda Minamoto

22. TITLE:

Associate Regional Administrator

23. REMARKS:

Division of Medicaid & Children's
Health

Revision: HCFA-PM-91-10
DECEMBER 1991

State/Territory: HAWAII

Citation: 4.14 Utilization/Quality Control

- (a) A statewide program of surveillance and utilization control has been implemented that safeguards against unnecessary or inappropriate use of Medicaid services available under this plan and against excess payments, and that assesses the quality of services. The requirements of 42 CFR Part 456 are met:

X Directly

X By under taking medical and utilization review requirements through a contract with a Utilization and Quality Control Peer Review Organization (PRO) designated under 42 CFR Part 462. The contract with the PRO —

- (1) Meets the requirements of §434.6(a);
- (2) Includes a monitoring and evaluation plan to ensure satisfactory performance;
- (3) Identifies the services and providers subject to PRO review;
- (4) Ensures that PRO review activities are not inconsistent with the PRO review of Medicare services; and
- (5) Includes a description of the extent to which PRO determinations are considered conclusive for payment purposes.

X A qualified External Quality Review Organization performs an annual External Quality Review that meets the requirements of 42 CFR 438 Subpart E each managed care organization, prepaid inpatient health plan, and health insuring organizations under contract, except where exempted by the regulation.

TN No. 04-002

Supersedes

TN No. 92-10

Approval Date: APR 6 2004

Effective Date: 03/25/04

Revision: HCFA-PM-91-10
DECEMBER 1991

State/Territory: HAWAII

Citation: 4.14 Utilization/Quality Control (Continued)

42 CFR
438.356(e)

For each contract, the State must follow an open, competitive procurement process that is in accordance with State law and regulations and consistent with 45 CFR Part 74 as it applies to State procurement of Medicaid services.

42 CFR 438.354
42 CFR
438.356(b) and
(d)

The State must ensure that an External Quality Review Organization and its subcontractors performing the External Quality Review or External Quality Review-related activities meets the competence and independence requirements.

____ Not applicable.

TN No. 04-002

Supersedes

TN No. 92-10

Approval Date: APR 6 2004 Effective Date: 03/25/04